

PURCHASE OF NATURAL RUBBER

Exchange of notes at Washington January 28 and March 1, 1946

Entered into force March 1, 1946

Expired March 31, 1946

60 Stat. 1694; Treaties and Other
International Acts Series 1526

The Secretary of State to the British Ambassador

DEPARTMENT OF STATE
WASHINGTON
Jan. 28, 1946

EXCELLENCY:

I have the honor to inform Your Excellency that the Government of the United States of America is prepared to enter into an agreement for the purchase of all natural rubber allocated from all British areas in the Far East to the United States of America by the Combined Raw Materials Board, or successor body, according to the following terms:

The Rubber Development Corporation, which is the agency of the Government of the United States of America which has been designated to negotiate for and effect the purchase of all natural rubber allocated to the United States of America by the Combined Raw Materials Board or successor body, shall purchase from the British Government all natural rubber which has been or shall be so allocated from all British areas in the Far East at a price of 20¼ cents United States currency per pound for standard top grades with appropriate differentials for other types and grades, at Far Eastern port free on board ocean going steamer destined for United States port. In the case of Ceylon this price shall be paid only on rubber covered by ocean bills of lading bearing a date between January 1, 1946 and March 31, 1946, inclusive. In the case of all other areas in the Far East, this price shall be paid on rubber covered by ocean bills of lading bearing dates between September 2, 1945 (V-J Day) and March 31, 1946, inclusive. Payment for such rubber will be effected by the opening of an appropriate letter or letters of credit in favor of such agency of the British Government as shall be designated, which letters of credit shall provide for payment against shipping documents endorsed "on board" ocean going steamer evi-

dencing that the rubber has been shipped consigned to "Reconstruction Finance Corporation, 15 William Street, New York 5, New York." Quality and weights shall be as declared by the shipper, with the understanding that an appropriate adjustment will be made in the event of any substantial discrepancy between the quality and weights as declared by the shipper and the quality and weights as determined upon inspection and weighing in the United States.

This note, together with your reply indicating acceptance by the Government of the United Kingdom of the offer contained herein, shall be deemed by the Government of the United States of America as bringing the above agreement into full force and effect. The Rubber Development Corporation will execute with the appropriate United Kingdom authority a contract embodying the details of the above agreement.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

WILLIAM L. CLAYTON

His Excellency

The Right Honorable

THE EARL OF HALIFAX, K.G.,

British Ambassador.

The British Ambassador to the Secretary of State

BRITISH EMBASSY,

WASHINGTON, D.C.

March 1, 1946

No. 127

SIR,

I have the honour to refer to your Note of January 28th in which you stated that the Government of the United States of America was prepared to enter into an agreement for the purchase of all natural rubber allocated from all British areas in the Far East to the United States of America by the Combined Raw Materials Board or successor body.

2. I understand that the Rubber Development Corporation and the British Supply and Air Commission have reached agreement regarding the terms upon which such rubber shall be purchased by the United States Government. I further understand that the Rubber Development Corporation and the British Supply and Air Commission have mutually agreed (a) that the price to be paid shall be determined on the basis of the landed weight and description of such rubber and (b) that shipments of Ceylon rubber shall not be covered by the Rubber Development Corporation's contract with H. M. Government inasmuch as all shipments of rubber to the United States from

Ceylon during the period September 2, 1945 to March 31, 1946 have been covered by the so-called Reciprocal Aid Pipeline Agreement.¹

3. This Note conveys acceptance by the Government of the United Kingdom of the offer made by the Government of the United States of America as embodied in the understanding now reached between the Rubber Development Corporation and the British Supply and Air Commission.

I have the honour to be, with the highest consideration, Sir,
Your most obedient, humble Servant

HALIFAX

The Honourable
JAMES F. BYRNES,
*Secretary of State of the United States,
Washington, D.C.*

¹ Agreement signed at Washington Mar. 27, 1946 (TIAS 1509, *post*, p. 745).